

**LODI CITY COUNCIL
SPECIAL CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
TUESDAY, AUGUST 11, 2009**

A. Roll call

The Special City Council meeting of August 11, 2009, was called to order by Mayor Hansen at 7:00 a.m.

Present: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Absent: None

Also Present: City Manager King, City Attorney Schwabauer, and City Clerk Johl

B. Closed Session

At 7:00 a.m., Mayor Hansen adjourned the meeting to a Closed Session to discuss the following matters.

B-1 Pursuant to Government Code §54956.9(c); Conference with Legal Counsel; Anticipated Litigation/Initiation of Litigation Regarding Potential Filing of Writ of Mandate against State Water Quality Control Board Challenging Wastewater Permit Order; One Potential Case

B-2 Prospective Lease of City Property (10± Acres Adjacent to White Slough Water Pollution Control Facility, Located at 12745 N. Thornton Road, Lodi, CA); the Negotiating Parties are Don Dame on behalf of the Northern California Power Agency and City Manager Blair King for the City of Lodi; Price and Terms of the Lease are under Negotiation; Government Code §54956.8

C. Return to Open Session / Disclosure of Action

At 7:30 a.m., Mayor Hansen reconvened the City Council meeting, and City Attorney Schwabauer disclosed the following actions.

Items B-1 and B-2 were discussion only with no reportable action.

D. Regular Calendar

D-1 Authorize City Manager to Enter Voluntary Cleanup Agreement with Department of Toxic Substances Control for Soil Removal on Lodi Energy Center Site (CA)

City Attorney Schwabauer provided a brief review of the terms of the proposed agreement. Mr. Schwabauer specifically discussed clean-up of contamination on the Lodi Energy Center site, area of clean-up to span approximately 4.4 acres, contamination resulting from the operation of the wastewater treatment plant, voluntary clean-up agreement, the Department of Toxic Substances Control anticipation of fees for approximately \$45,000, City exposure for trucking and disposal related fees at approximately \$1.6 million for worst case scenario and \$450,000 for more likely scenario, and fee offset against revenues from the Lodi Energy Center.

In response to Mayor Hansen, Water Services Manager Charlie Swimley stated the clean-up will likely take place concurrently with the construction. Mr. Swimley confirmed some excavation would occur on the site regardless of the clean-up.

Mayor Hansen made a motion, second by Council Member Johnson, to authorize the City Manager to enter voluntary cleanup agreement with the Department of Toxic Substances Control for soil removal on the Lodi Energy Center site.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

D-2 Adopt Resolution Authorizing the City Manager to Submit a Joint Application with Eden Development, Inc., to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program Funding; and if Selected, the Execution of a Standard Agreement, and Amendments Thereto, and of any Related Documents Necessary to Participate in the HOME Investment Partnerships Program (CD)

City Manager King provided a brief overview of the subject matter of submitting a joint application with Eden Development in relation to the proposed senior affordable housing unit project. Specific topics of discussion included Eden Development identifying HOME funds and encouragement to apply for the same, Eden Development being ineligible for State HOME funds on its own based on process, the City and Eden being eligible for the funding as co-applicants, Eden's responsibility to perform all tasks, no additional fiscal liability or responsibility for the City in being a co-applicant, and application of standard conditions including the annual audit and best practices.

Neighborhood Services Manager Joseph Wood provided a brief PowerPoint presentation and discussed the availability of State funding for the Tienda Drive project, process and certification associated with Community Housing Development Organization (CHDO), history of funding with CHDO, application deadline of August 17, and the proposed resolution authorizing the City as a co-applicant for State HOME program funding.

In response to Mayor Hansen, Katie Lamont, representative of Eden Development, stated they would like to get both types of funds for the proposed project and the joint application meets Department of Housing and Urban Development standards. Ms. Lamont stated for State HOME program funding, eligible applicants include cities, counties, and CHDOs. She stated the State requirements for CHDOs are different and more stringent, which is the reason for co-applicant need.

In response to Council Member Hitchcock, Mr. King stated he is not aware of any additional financial risk or liability for the City associated with being a co-applicant for the funding.

In response to Council Member Hitchcock, Interim Community Development Director Rad Bartlam stated there is no additional burden on staff for administering the funding as staff oversight for the project will occur regardless.

In response to Myrna Wetzel, Mr. Bartlam stated staff will provide pre-construction and post-construction oversight, in addition to ongoing oversight through annual reviews similar to the hotel projects.

Mayor Hansen made a motion, second by Council Member Mounce, to adopt Resolution No. 2009-111 authorizing the City Manager to submit a joint application with Eden Development, Inc., to the State of California Department of Housing and Community Development for HOME Investment Partnerships Program funding; and if selected, the execution of a standard

agreement, and amendments thereto, and of any related documents necessary to participate in the HOME Investment Partnerships Program.

VOTE:

The above motion carried by the following vote:

Ayes: Council Member Hitchcock, Council Member Johnson, Mayor Pro Tempore Katzakian, Council Member Mounce, and Mayor Hansen

Noes: None

Absent: None

E. Adjournment

There being no further business to come before the City Council, the meeting was adjourned at 7:47 a.m.

ATTEST:

Randi Johl
City Clerk